

To aid in determining exemption from Supreme Court Rule 4-1.15 entitled "Safekeeping Property," sections (d), (e), and (f) thereof are provided below:

(d) Except as provided in paragraph (e), a lawyer or law firm shall establish and maintain one or more interest-bearing insured depository accounts into which shall be deposited all funds of clients or third persons that are normal in amount or are expected to be held for a short period of time, but only in compliance with the following provisions:

- (1) no earnings from such account shall be made available to the lawyer or law firm, and the lawyer or law firm shall have no right or claim to such earnings;
- (2) only funds of clients that are nominal in amount or are expected to be held for a short period of time and on which interest is not paid to the clients may be deposited in such account, taking into consideration the following factors:
  - (i) the amount of interest that the funds would earn during the period they are expected to be deposited;
  - (ii) the cost of establishing and administering the account, including the cost of the lawyer's services and the cost of preparing any tax reports required for interest accruing to a client's benefit; and
  - (iii) the capability of financial institutions to calculate and pay interest to individual clients;
- (3) funds deposited in such account shall be available for withdrawal or transfer on demand, subject only to any notice period that the institution is required to observe by law or regulation;
- (4) the depository institution shall be directed by the lawyer or law firm establishing such accounts;
  - (i) to remit at least quarter-annually earnings from such account, net of any service charges or fees as computed in accordance with the institution's standard accounting practice, to the Missouri Lawyer Trust Account Foundation, which shall be the sole beneficial owner of the interest or earnings generated by such account; and
  - (ii) to transmit with each remittance of earnings a statement showing the name of the lawyer or law firm on whose account the remittance is sent and the rate of interest applied, with a copy of such statement to such lawyer or law firm; and
- (5) the lawyer or law firm shall review the account at reasonable intervals to determine if changed circumstances require further action with respect to the funds of any client;

(e) Every lawyer shall certify in connection with the Supreme Court annual enrollment fee statement as prescribed by the clerk of this Court that the lawyer or the law firm with which the lawyer is associated either participate as provided in paragraph (d) or is exempt because the:

- (1) nature of the lawyer's or law firm's practice is such that the lawyer or law firm does not hold client or third party funds or is not required to maintain a trust account;
- (2) lawyer is primarily engaged in the practice of law in another jurisdiction and not regularly engaged in the practice of law in this state;
- (3) lawyer is associated in a law firm with at least one lawyer who is admitted to practice in a jurisdiction other than the state of Missouri and the lawyer or law firm maintains a pooled interest-bearing trust account for the deposit of funds of clients or third persons in a financial institution located outside the state of Missouri and the interest, net of any service charges and fees, from the account is being remitted to the client or third person who owns the funds or to a nonprofit organization or government agency pursuant to the laws or rules governing lawyer conduct of the jurisdiction in which the financial institution is located;
- (4) lawyer or law firm elects to decline to maintain accounts as described in paragraph (d) in accordance with the procedures set forth in paragraph (f);

or

- (5) Missouri Lawyer Trust Account Foundation's Board of Directors, on its own motion, has exempted the lawyer or Law firm from participating in the program when service charges on the lawyer's or law firm's trust account equals or exceeds any interest generated.

(f) A lawyer or law firm may elect to decline to maintain accounts as described in paragraph (d) by so notifying the Missouri Lawyer Trust Account Foundation in writing on or before January 31 of any year. A lawyer or law firm that does not so advise the Missouri Lawyer Trust Account Foundation shall be required to maintain such accounts.